



Net Assets £6.7m

Net Assets excluding unaudited current period revenues £6.7m

ORDINARY SHARES

Share Price 304.00p

NAV per Share 366.79p*

Premium / (Discount to NAV) (-17.12%)

Share Capital 1,837,205**

* includes unaudited revenue reserve to 31/01/2024

** excludes shares held in Treasury

INVESTMENT OBJECTIVE AND POLICY

The Company invests in cash-generative quoted UK Small and Mid-Cap Companies that are expected to grow faster than the UK stock market as a whole over the long term and which can finance their own organic growth.

The Company's objective is to outperform the UK equity market by investing in companies with higher-than-average earnings growth that are listed outside the top 100 stocks on either of the Main Market, AQSE or traded on AIM, to capture the smaller companies' outperformance effect. The Investment Manager believes the investment trust structure of the Company lends itself to investing in smaller, more illiquid growth stocks, as the closed-end structure removes the potential scenario where the Company needs to sell holdings at the wrong time to meet redemptions.

The Company principally invests (approximately 75 per cent of its funds) in shares of companies which are listed on the Main Market or AQSE or traded on AIM, with market capitalisations of less than £250 million. The Company also invests (approximately 25 per cent of its funds) in some UK listed companies with larger market capitalisations, for liquidity purposes.

MONTHLY MANAGER COMMENTARY

Markets paused for breath in January, after the strong run into the year-end, as expectations about the size and speed of rates cuts, which had grown increasingly bullish through November and December, were scaled back. UK inflation figures saw a surprise uptick in January, but still remain below the Bank of England's expectations and whilst Central Bankers cautioned against cutting rates too quickly, the talk of further tightening has largely disappeared from their narrative. The UK economy continues to avoid a recession with decent growth in November, unemployment remains flat, and pay growth shows signs of moderating. We also continue to be cognisant of geopolitics, and the impact prolonged disruption in the Red Sea may have on our companies and inflation.

FUND MANAGERS



JAMES BAKER

James joined Chelverton Asset Management in June 2014 to manage MI Chelverton UK Equity Growth Fund.

A history graduate from Cambridge University, he has over 30 years of equity market experience on both buy and sell sides, specialising for all of his career in UK small and mid-capitalisation stock selection. He has worked for several organisations over the years, but most notably spent from 1999 to 2011 as part of the ABN Amro, small mid cap sales team which was consistently top ranked by Extel. Prior to joining Chelverton he worked as the assistant fund manager on the Rathbone UK Recovery Fund.



EDWARD BOOTH

Edward joined Chelverton Asset Management in 2016 as an Assistant Fund Manager, becoming a Fund Manager in November 2017. Having graduated from the London School of Economics with a degree in Economics with Economic History, Edward qualified as a Chartered Accountant at Deloitte, where he focused on the insurance sector. Prior to joining Chelverton, he worked as a Business Analyst for Barclays, focusing on a number of areas including Investment Bank Revenue and Group Capital performance.



HENRY BOTTING

Henry joined Chelverton Asset Management in 2021 and was appointed co-manager in August 2022. Prior to joining, Henry worked on the Equity Sales team at FinnCap, where he specialised in UK small and micro-cap companies. He has a degree in Economic and Social History from the University of Edinburgh and prior investment management experience at Rathbones and OLIM. Henry is a CFA Charterholder.

Our top contributor in the month was MPAC, which put out an in-line trading statement, Pendragon and SigmaRoc, with a strong move upwards as the first phase of the transformational acquisition of assets from CRH completed and they issued a trading update with 2023 results ahead of consensus. On the negative side, Zoo Digital was weak, as they saw production delays as their entertainment clients restarted work post the 2023 strikes, and Adriatic Metals, with delays to first production caused by disruption in the Red Sea. On the trading front, we added new holdings in Alfa Financial Software, Big Technologies and Microlise, and trimmed our SigmaRoc, YouGov and Ascential positions.

RETURNS

31/01/2024

Since change of investment policy (26 July 2023)*	2023
Share Price Ordinary Shares	-7.88%
NAV Ordinary Shares	8.60%

Source: Chelverton Asset Management Limited and Morningstar

Past performance is not a guide to future results

* The Investment Company PLC changed its investment policy on 26 July 2023. The NAV as of that date has been taken as the tender price, which was equal to the estimated Post-Transaction NAV per Ordinary Share. For reasons of clarity, previous track record has been excluded from the performance table. For details of previous performance please see annual reports on The Investment Company plc website: <https://theinvestmentcompanyplc.co.uk>





DIRECTORS

IAN DIGHÉ

Non-Executive Chairman

TIM METCALFE

Senior Independent Non-Executive Director

MARTIN PERRIN

Non-Executive Director

DAVID HORNER

Non-Independent Non-Executive Director

CALENDAR

Year End 30 June

AGM November

Management Fee Up to 0.75%*

Ongoing Fee 2%*

* The Investment Manager has waived the management fee of 0.75% and shall instead make a contribution to the company costs to ensure that the annualised ongoing charge does not exceed 2% of NAV.

PRICE INFORMATION

Reuters INVM.L

SEDOL 0465825

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Risk Factors

The value of investments and the income from them may go down as well as up and you may not get back your original investment. "Investment trusts can borrow money to make additional investments on top of shareholders funds (gearing), however, this is investment trust does not currently use any gearing. An investor could lose all of their capital. Smaller companies are riskier and less liquid than larger companies which means their share price may be more volatile. Some of the annual management fee is currently charged to the capital of the Fund. Whilst this increases the yield, it will restrict the potential for capital growth. The level of yield may be subject to fluctuation and is not guaranteed. Net Asset Value ("NAV") performance is not the same as share price performance and investors may not realise returns the same as NAV performance.

Risk Rating of Shares Ordinary shares - High

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TOP TWENTY HOLDINGS

Holding	Sector*	% of Net Assets
Pendragon	Consumer	4.0%
JTC	Financials	2.4%
Restore	Support Services	2.3%
Auction Technology Group	Technology	2.2%
Sigmaroc	Construction	2.2%
Clarkson	Support Services	2.1%
Premier Foods	Consumer	2.1%
dotdigital	Technology	2.0%
Bodycote	Industrials	1.9%
Oxford Metrics	Technology	1.9%
Alpha Group International	Financials	1.8%
Ascential	Media	1.8%
Learning Technologies Group	Technology	1.8%
Gamma Communications	Technology	1.8%
AJ Bell	Financials	1.6%
Volution Group	Construction	1.6%
Somero Enterprise Inc.	Construction	1.6%
Inchcape	Support Services	1.5%
Ebiquity	Media	1.5%
Global Data	Media	1.5%
Total		39.6%

* Source Chelverton Asset Management Limited

SECTOR BREAKDOWN %

Sector %	% of Net Assets
Technology	18.7%
Support Services	10.6%
Financials	10.2%
Media	10.0%
Consumer	8.9%
Construction	8.0%
Industrials	6.2%
Healthcare	3.7%
Resources	0.9%
Cash & Income	22.8%
Total	100.0%

Source: Chelverton Asset Management Limited

MARKET CAP BREAKDOWN

% of Net Assets	No of stocks
Above £1bn	11
£500m - £1bn	10
£250m - £500m	9
£100m - £250m	21
Below £100m	11
Cash & Income	
Total	62

Source: Chelverton Asset Management Limited

